



REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

PRESENT: COUNCILMEMBERS MACK and WEEKLY

COUNCILWOMAN MONCRIEF was also present to observe the meeting.

Also Present: DEPUTY CITY MANAGER STEVE HOUCHENS, DEPUTY CITY ATTORNEY TOM GREEN, REAL ESTATE AND ASSET MANAGEMENT DIVISION MANAGER DAVID ROARK, CITY CLERK BARBARA JO (RONI) RONEMUS and DEPUTY CITY CLERK GABRIELA S. PORTILLO-BRENNER

ANNOUNCEMENT MADE – Meeting noticed and posted at the following locations:

Las Vegas Library, 833 Las Vegas Boulevard North

Senior Citizens Center, 450 E. Bonanza Road

Clark County Government Center, 500 S. Grand Central Pkwy

Court Clerk's Bulletin Board, City Hall

City Hall Plaza, Posting Board

(3:03)

1-1

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding Interlocal Agreement 109177 with the Las Vegas Valley Water District for water service to APN 138-35-111-009 known as the Charleston Heights Neighborhood Preservation Park II (\$85,314 - Capital Improvement Project Fund) - Ward 1 (M. McDonald)

Fiscal Impact

☐

No Impact

Amount: \$85,314

☒

Budget Funds Available

Dept./Division: PW/Engineering Integration

☐

Augmentation Required

Funding Source: CIP Fund

PURPOSE/BACKGROUND:

A necessary part of this project is the installation of water service. Before the Las Vegas Valley Water District will sign the service connection documents and allow the City to install the water service, the Interlocal Agreement with conditional water commitment must be executed and the required fees paid.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

1. Interlocal Agreement 109177
2. Site map

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 1 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK concurred.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that this interlocal agreement with the Las Vegas Valley Water District is for water services at the Charleston Heights Preservation Park II. Two years ago the City had a sales and purchase agreement and sold the property to Nevada Department of Transportation (NDOT) so that they could carry on with their expansion, which included tearing down and rebuilding Adcock School.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 1 - Discussion and possible action regarding Interlocal Agreement 109177 with the Las Vegas Valley Water District for water service to APN 138-35-111-009 known as the Charleston Heights Neighborhood Preservation Park II (\$85,314 - Capital Improvement Project Fund)

MINUTES – Continued:

In that agreement, the City had an obligation to purchase the remaining land, which has not been done yet. However, water services are needed to maintain the landscaping. Staff anticipates bringing forward to Council a purchase agreement sometime in August. The holdup is currently with NDOT. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:03 – 3:06)

1-3

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003**

DEPARTMENT: PUBLIC WORKS**DIRECTOR: RICHARD D. GOECKE**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding a Purchase Contract between Priority One Commercial (on behalf of the City of Las Vegas) and Patricia Gibbs for real property known as APN 138-25-515-006 located at 1509 Laurelhurst Drive Unit 6 for \$65,000 plus closing costs - Special Revenue Fund - Ward 1 (M. McDonald)

Fiscal Impact☐**No Impact****Amount:** \$65,000 + closing costs☒**Budget Funds Available****Dept./Division:** Public Works/Real Estate☐**Augmentation Required****Funding Source:** SRF (Special Revenue Fund)**PURPOSE/BACKGROUND:**

This parcel is a condo located in the vicinity of Laurelhurst Dr. and Westmoreland Dr. Over 90% of the units in this area are vacant and in disrepair, creating a safety and health problem to the area. Because a majority of the units are owned by one owner, it has made it impossible for a credible condo association of all of the owners in the area to organize, thus most of the properties are in disrepair as well and subject to many building code violations. CLV wishes to purchase this property, along with 41 other individually-owned units in an effort to clean and revitalize the area.

RECOMMENDATION:

Staff recommends approval of the purchase of this property, and authorization of staff to execute all the additional documents necessary to close escrow and record title

BACKUP DOCUMENTATION:

Agreement for Purchase of Real Property

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 2 be forwarded to the Full Council with a “DO PASS” recommendation. **COUNCILMAN MACK** abstained because his brother, Steven Mack, owns property adjacent to this site.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, indicated that this is another owner-occupied condominium unit purchase in the area commonly referred to as the Wonder World property. Staff recommends approval.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 2 - Discussion and possible action regarding a Purchase Contract between Priority One Commercial (on behalf of the City of Las Vegas) and Patricia Gibbs for real property known as APN 138-25-515-006 located at 1509 Laurelhurst Drive Unit 6 for \$65,000 plus closing costs - Special Revenue Fund

MINUTES – Continued:

AL GALLEGOS, citizen of Las Vegas, suggested to COUNCILWOMAN MONCRIEF that she work on cleaning up that property.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:06– 3:07)

1-72

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding a Lease Agreement with the Las Vegas-Clark County Library District for lease of approximately 480 square feet of office space located at Stupak Community Center, 300 West Boston Avenue - Ward 1 (M. McDonald)

Fiscal Impact

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

The Las Vegas-Clark County Library District is in need of office space to maintain operation of its business, which is expressly limited to a public library. There is approximately 480 feet of usable office space available at Stupak Community Center, which can be used to accommodate the public library.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Lease Agreement

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 3 be forwarded to the Full Council with a “DO PASS” recommendation. COUNCILMAN MACK concurred.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, explained that this lease with the Library District consists of their use of 480 square feet at the Stupak Center. This simply formalizes their presence after a long-term tenancy. He clarified for AL GALLEG0 that the previous action authorized negotiation of this lease.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:07 – 3:08)

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003**

DEPARTMENT: PUBLIC WORKS**DIRECTOR: RICHARD D. GOECKE**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding renewing the City's current airspace lease with the State of Nevada Department of Transportation for space located underneath US 95 between Casino Center and 4th Street (\$44,604 - General Fund) - Ward 5 (Weekly)

Fiscal Impact☐**No Impact****Amount:** \$44,604☒**Budget Funds Available****Dept./Division:** Nondepartmental☐**Augmentation Required****Funding Source:** General Fund**PURPOSE/BACKGROUND:**

The City of Las Vegas is presently leasing space from NDOT. This agreement was originally entered into in 1973 for a twenty (20) year period with four (4) options of five (5) years each. This agreement exercises the City's third five (5) year option.

RECOMMENDATION:

Staff Recommends Approval

BACKUP DOCUMENTATION:

1. Letter requesting renewal
2. Site Map

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 4 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK concurred.

NOTE: COUNCILMAN MACK disclosed that although his brother-in-law, Andrew Donner, is the contractor to operate the new Lady Luck Casino, it would not impact his vote and he would participate and vote on this item.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, stated that this is the renewal of the airspace lease with NDOT (Nevada Department of Transportation) for the airspace and the area under the freeway used for City staff parking, public parking and the trailers previously used for the Human Resources Department.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 4 - Discussion and possible action regarding renewing the City's current airspace lease with the State of Nevada Department of Transportation for space located underneath US 95 between Casino Center and 4th Street (\$44,604 - General Fund) - Ward 5 (Weekly)

MINUTES – Continued:

TODD FARLOW, 240 North 19th Street, protested that back as far as 1978, the freeway was not supposed to be there according to the scale model presented to the residents. That scale included the trails. The trail currently ends at Mesquite, jogs and joins the Bonanza Trail. The public wants what it was promised. COUNCILMAN MACK referred MR. FARLOW to DON SCHMEISER, who handles the trails for the City.

AL GALLEG0, citizen of Las Vegas, pointed out that the agenda indicates that the leased property is Casino Center to Fourth Street. It does not include the property up to Ninth and Tenth Street. MR. ROARK responded that there are separate leases on the separate pieces of property. MR. GALLEG0 requested a breakdown of the land and the amount being paid. MR. ROARK directed MR. GALLEG0 to contact his office to obtain that information. MR. GALLEG0 noted that the lease is a waste of money and the cars should be parked in the new parking garage to free up the land for a park. MR. ROARK rebutted that even if the City built a park, the City would have to pay NDOT the lease money for the park.

MR. FARLOW reiterated that the land was supposed to be deeded to the City for trails.

There was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:08 – 3:13)

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003**

DEPARTMENT: PUBLIC WORKS**DIRECTOR: RICHARD D. GOECKE**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action authorizing staff to enter into negotiations with the Chabad Hebrew Center to purchase vacant land located at the corner of Vegas Drive and Durango Drive, APN 138-29-501-007 - Ward 4 (Brown)

Fiscal Impact☒**No Impact****Amount:**☐**Budget Funds Available****Dept./Division:**☐**Augmentation Required****Funding Source:****PURPOSE/BACKGROUND:**

Chabad Hebrew Center desires to purchase 2 acres of this parcel located on the corner of Vegas Drive and Durango Drive. Staff received an unsolicited letter of proposal from the Chabad Hebrew Center under the auspices of Chabad of Southern Nevada on 5/28/03 expressing their desire to use the land to build a Sephardic Synagogue and Cultural Center for Jews from Middle Eastern and African backgrounds.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

1. 5/28/03 Letter from Chabad Hebrew Center
2. Site Map

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 5 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK concurred.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that the City received a letter from the Chabad Hebrew Center seeking to obtain between two to five acres of land the City holds under a Bureau of Land Management (BLM) lease agreement. Staff is seeking permission to negotiate a specific amount of land with the Chabad Hebrew Center and

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 5 - Discussion and possible action authorizing staff to enter into negotiations with the Chabad Hebrew Center to purchase vacant land located at the corner of Vegas Drive and Durango Drive, APN 138-29-501-007 - Ward 4 (Brown)

MINUTES – Continued:

work with the BLM, prior to bringing back any final action before the Council in the form of a memorandum of understanding or lease agreement.

MORDECHAI YERUSHALMI, representing Chabad Hebrew Center, requested the City's assistance in this matter.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:13 – 3:14)

1-294

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003**

DEPARTMENT: PUBLIC WORKS**DIRECTOR: RICHARD D. GOECKE**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action authorizing staff to enter into negotiations with Best West Limited Partnership pertaining to the public street parking on Balzar Avenue and James Bilbray Drive and a future office use within the retail center on Rainbow Drive and Lake Mead Boulevard - Ward 6 (Mack)

Fiscal Impact☒**No Impact****Amount:**☐**Budget Funds Available****Dept./Division:**☐**Augmentation Required****Funding Source:****PURPOSE/BACKGROUND:**

The City owns the public right-of-ways commonly known as James Bilbray Dr. and Balzar Ave. Best West has an interest in obtaining a license agreement from the City assuring there will be no parking meters installed for a certain period of time on a portion of the streets that currently allow free parking. Best West desires to add tenants to the shopping center thereby benefiting the City by bringing additional business, increasing tax revenues, and creating more employment opportunities within the City. Guaranteed street parking for the tenants employees would facilitate long term contracts.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Site Map

Submitted at the meeting: letter from Nick Tortarolo

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 6 be forwarded to the Full Council with a “DO PASS” recommendation. COUNCILMAN MACK concurred.

NOTE: COUNCILMAN MACK disclosed that although his brother-in-law, Andrew Donner, owns a Timbers Bar & Grill adjacent to the Best of the West Center, it would not impact his business and he would be voting on this item.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 6 - Discussion and possible action authorizing staff to enter into negotiations with Best West Limited Partnership pertaining to the public street parking on Balzar Avenue and James Bilbray Drive and a future office use within the retail center on Rainbow Drive and Lake Mead Boulevard

MINUTES – Continued:

DAVID ROARK, Manager, Real Estate and Asset Management Division, explained that a letter was received from Best West Limited Partnership seeking to negotiate a license agreement concerning parking on public streets. Staff is seeking authorization to negotiate with them and bring back to the Council whatever is appropriate. Staff recommends approval.

NICK TORTAROLO, 2132 Petersham Court #D, stated that the streets in question are behind the condominium project where he has lived for 13 years. He submitted a letter urging the Council to consider the traffic patterns and public safety when granting any rights for extra parking. There is a 12-month elementary school across the street with kids in the area at all hours. There has been a problem with speeding traffic and many close calls on the two streets. Additional parking should be limited as much as possible.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:14 – 3:17)

1-351

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding a Supplement to Indenture of Lease of June 6, 1984, to the Lady Luck Parking Garage Lease located at 333 East Ogden Avenue, substituting the rental payments to be made annually now to be paid monthly - Ward 5 (Weekly)

Fiscal Impact

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

On 10/30/02, Gemini, Inc. assigned to Steadfast Plaza, LP, a California limited partnership an undivided 30% interest and Steadfast Creekside, LP, a California limited partnership an undivided 70% interest as tenants in common and Andrew H. Tompkins as of 6/6/84 (as successor in interest). The previous Section 3 of the Parking Indenture provided rent payments to be made annually. Tenant desires the rent to be paid monthly. The expected interest to be earned by the City for the applicable annual period shall be apportioned in monthly installments and paid by the Tenant.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

1. Supplement to Indenture of Lease of June 6, 1984
2. Disclosure

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 7 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK abstained in his best interest because his brother-in-law, Andrew Donner, is going to be the new operator of the Lady Luck.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 7 - Discussion and possible action regarding a Supplement to Indenture of Lease of June 6, 1984, to the Lady Luck Parking Garage Lease located at 333 East Ogden Avenue, substituting the rental payments to be made annually now to be paid monthly

MINUTES – Continued:

DAVID ROARK, Manager, Real Estate and Asset Management Division, indicated that this is an amendment to the 1984 lease regarding the garage. They are obligated to pay their lease money in advance. The renegotiated lease will allow for monthly payments. The City will lose interest earnings and the amendment includes interest be incorporated into the monthly payments. The first year is at the rate of 4.5%. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing open.

(3:17 – 3:18)

1-427

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding an Easement and Rights-of-Way between the City of Las Vegas and the Las Vegas Valley Water District for a water facilities easement to service a portion of APN 138-31-501-003 known as Angel Park Golf Course located in the vicinity of Rampart Boulevard and Alta Drive - Ward 2 (L.B. McDonald)

Fiscal Impact

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

In order to have water lines and appurtenance(s) to service the site, the City is required to grant an Easement and Rights-of-Way to the Las Vegas Valley Water District for construction of the water lines and appurtenance(s).

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Easement and Rights of Way

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 8 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK concurred.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that this easement allows for water facilities within the general vicinity of Angel Park. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:18 – 3:19)

1-480

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action regarding a Grant of Easement from the City of Las Vegas to Nevada Power Company for the purpose of construction of electric facilities located on APN 138-31-501-003, commonly known as Bunker Park - Ward 2 (L.B. McDonald)

Fiscal Impact

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

Nevada Power is requesting the right to construct, operate, add to, maintain and remove underground electric system(s), consisting of duct lines, manholes, vaults, wires, cables, transformer installation above/below ground, service boxes, other fixtures and apparatus for the transmission and distribution of electricity for future development in this area.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Grant of Easement

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 9 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN MACK concurred.

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, outlined the easement for the electrical facilities. The parcel number and ward designation are correct, but the location is Angel Park and not Bunker Park as shown.

No one appeared in opposition and there was no further discussion.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 9 - Discussion and possible action regarding a Grant of Easement from the City of Las Vegas to Nevada Power Company for the purpose of construction of electric facilities located on APN 138-31-501-003, commonly known as Bunker Park - Ward 2 (L.B. McDonald)

MINUTES – Continued:

COUNCILMAN MACK declared the Public Hearing closed.

(3:19 – 3:20)

1-500

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003****DEPARTMENT: BUSINESS DEVELOPMENT****DIRECTOR: LESA CODER**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilmen Mack and Weekly

Discussion and possible action for CenterStaging Las Vegas, LLC and CenterStaging Las Vegas II, LLC, as Developer, to enter into a Disposition and Development Agreement, for the development of a television and recording sound studio with supporting office space on a vacant parcel on the West side of Martin Luther King Boulevard, South of Mount Mariah, APNs: 139-21-313-007 and 139-21-313-008 - Ward 5 (Weekly)

Fiscal Impact☐**No Impact****Amount:** \$1,152,597☒**Budget Funds Available****Dept./Division:** Bus Development/ Econ Develop.☐**Augmentation Required****Funding Source:** Gain in Industrial Dev. Revenue**PURPOSE/BACKGROUND:**

In consideration of the economic impact of a television and recording sound studio with supporting office space, for which the Developer has submitted a comprehensive Economic Impact Statement, the City seeks to enter into a Disposition and Development Agreement which would transfer to the Developer a 4.9-acre site together with an easement comprising 0.17 acres, for the construction of the studio and supporting office space to commence no later than December 1, 2003. The City will secure payment of the Final Purchase Price of \$1,152,597 through a deferred, forgivable Promissory Note secured by a Deed of Trust and Guaranty from the managing members of Developer.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Disposition and Development Agreement
3. Disclosure of Principals
4. Site Locator Map

COMMITTEE RECOMMENDATION:

COUNCILMAN WEEKLY recommended Item 10 be forwarded to the Full Council with a "DO PASS" recommendation. **COUNCILMAN MACK** abstained because he has a business relationship with Ross Goodman, a primary of CenterStaging.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 10 - Discussion and possible action for CenterStaging Las Vegas, LLC and CenterStaging Las Vegas II, LLC, as Developer, to enter into a Disposition and Development Agreement, for the development of a television and recording sound studio with supporting office space on a vacant parcel on the West side of Martin Luther King Boulevard, South of Mount Mariah, APNs: 139-21-313-007 and 139-21-313-008

MINUTES:

COUNCILMAN MACK declared the Public Hearing open.

LESA CODER, Director of the Office of Business Development, outlined the location of the project. Part of the 4.9 acres includes common ingress/egress to the north with street access to both adjacent thoroughfares. This is predominantly for television and music production, as well as studio productions. This type of access is not otherwise readily available by other venues within the Valley. The deal is predicated on \$1.2 million for the sale of the land. Staff recommends that be deferred based upon performance of employment. Over time this facility would expand to the 18,000 square feet of staging and 40,000 for support/production/office space. It would create 47 jobs with a minimum wage of \$12 per hour or better.

In addition, this is the type of industry slated as one of the top three that would help diversify the local economy, pursuant to the 2020 Master Plan and Downtown Centennial Plan policies. The details from the economic impact analysis study performed were included in the backup information to justify the deferment. Should the developer proceed according to the schedule and agreement, that debt would be forgiven subject to a \$10 transfer fee. Staff anticipates letters of support from the Nevada Development Authority, the Nevada Connection on Economic Development and the State of Nevada Film Office. Repayment will be secured by a second deed of trust and promissory note with approximately \$1.2 million in collateral and personal guarantees from the three principals of the operation based out of Burbank, California. She introduced SCOTT BROWN, Chief Financial Officer for CenterStaging Las Vegas.

MR. BROWN summarized the commitment to expand in Las Vegas because this is the entertainment capital of the country. They have a strong presence in Burbank, but saw the opportunity to support all the musical acts and concerts in Las Vegas. It is a natural fit and they are very excited with the project. He listed various awards and concerts his company has put on. The one thing Las Vegas currently lacks is flygate for performers. Their company will provide the equipment and support staff, allowing the entertainers to fly in with four other people. Their operation in Burbank is the largest and best rehearsal/recording facilities in the country. That will be the same type of set up here, in addition to a state of the art sound stage for television and feature film production.

REAL ESTATE COMMITTEE MEETING OF JUNE 16, 2003

Public Works

Item 10 - Discussion and possible action for CenterStaging Las Vegas, LLC and CenterStaging Las Vegas II, LLC, as Developer, to enter into a Disposition and Development Agreement, for the development of a television and recording sound studio with supporting office space on a vacant parcel on the West side of Martin Luther King Boulevard, South of Mount Mariah, APNs: 139-21-313-007 and 139-21-313-008

MINUTES - Continued:

COUNCILMAN WEEKLY described his apprehensions when initially approached. Those concerns have been laid to rest after receiving more information on the organization and touring backstage the work done on the Divas in Las Vegas production. He was thoroughly impressed with this top professional organization. The closing of the Veterans Administration in his Ward could kill any synergy in the center and this could fill that void. The employment opportunities constitute further incentive to support the project.

COUNCILMAN WEEKLY discussed with MS. CODER the employment plan relating to the construction phase. MS. CODER explained that this is not a Redevelopment Agency project, but staff deviated from the boilerplate practice. There are strict and straightforward reporting obligations to obtain employment performance. Failure to meet that obligation will result in payment. The payment is less desirable to the employment of area residents. To date, these applicants prefer to hire and train internally in order to grow their own staffing.

MR. BROWN agreed that this is a cradle to grave process. They do not intend to bring in staff from California or New York. They will hire locals and fully train them. This will create new jobs over and above the \$16 to \$18 million in construction costs and related jobs. It also generates the outside jobs from other businesses for services before and after the show and includes cab drivers, hotel staff and restaurant staff. It creates trickle-down jobs. They intend to partner with the local university and local educational system for training. Their internal training is progression and covers all aspects of the backstage production.

COUNCILMAN WEEKLY repeated that the opportunities presented by this project is a win-win situation for everyone. He personally supports it 100% and is very excited by it. He compared this to Unique Enterprises, who also occupies the Enterprise Park. Hiring from within the community is critical. The other pending projects for the Enterprise Park, the McDonald's Training Facility and Urban Chambers of Commerce, are all adding to the area. He greatly appreciated the opportunity to personally witness the work of this organization and looks forward to a professional relationship with them in the future.

No one appeared in opposition and there was no further discussion.

COUNCILMAN MACK declared the Public Hearing closed.

(3:20 – 3:34)

1-543

REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: JUNE 16, 2003

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

MINUTES:

None.

(3:34)
1-1025

THE MEETING ADJOURNED AT 3:34 P.M.

Respectfully submitted: _____
GABRIELA S. PORTILLO-BRENNER, DEPUTY CITY CLERK
July 1, 2003